

07 CV 11124

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
PROBO BISON SHIPPING INC.,

Plaintiff,

- against -

EMIRATES SHIP INVESTMENT COMPANY LLC,

Defendant.
-----X

07 Civ. _____

ECF CASE



VERIFIED COMPLAINT

Plaintiff, PROBO BISON SHIPPING LTD. ("Plaintiff") by and through its attorneys, Lennon, Murphy & Lennon, LLC, as and for its Verified Complaint against the Defendant, EMIRATES SHIP INVESTMENT COMPANY LLC ("Defendant"), alleges, upon information and belief, as follows:

1. This is an admiralty and maritime claim within the meaning of Rule 9(h) of the Federal Rules of Civil Procedure and 28 United States Code § 1333. This claim involves the breach of maritime contract of charter. This matter also arises under the Court's federal question jurisdiction within the meaning of 28 United States § 1331 and the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards (9 U.S.C. § 201 *et seq.*) and/or the Federal Arbitration Act (9 U.S.C. § 1 *et seq.*).

2. At all times material to this action, Plaintiff was, and still is, a foreign company duly organized and operating under foreign law.

3. Upon information and belief, Defendant was, and still is, a foreign corporation, or other business entity organized and existing under foreign law with a principal place of business at Al Neem Tower, 4th Floor, Khalifa Street, Abu Dhabi, United Arab Emirates.

4. At all material times Plaintiff was the Owner of the ocean going motor vessel "PROBO BISON" (hereinafter the "Vessel").

5. Pursuant to a charter party dated May 21, 2004, Plaintiff chartered the Vessel to Defendant¹ for a period of two years, 30 days more or less in Defendant's option and a further one year in Defendant's option to be declared by Defendant four months prior to expiration of second year (Clause 4). A copy of the charter party is annexed hereto as Exhibit 1.

6. Upon information and belief, Defendant sub-chartered the Vessel to non-party ST Shipping ("ST") effectively on terms that were "back to back" to the May 21, 2004 charter party between Plaintiff and Defendant. ST carried out the commercial and management operations of the Vessel on behalf of Defendant.

7. Upon information and belief, ST Shipping sub-chartered the Vessel to non-party Team Tankers A/S ("TT") on voyage charter party terms (i.e., for a single voyage) and in turn, TT further sub-chartered the Vessel on voyage charter party terms to non-party Tricon Energy Ltd. ("Tricon").

8. As Vessel charterer Tricon issued instructions to the Vessel to proceed to South Korea to load a cargo of up to 50% liquid caustic cargo for carriage to the United States with intended discharge ports on the U.S. East Coast in May 2006.

9. Liquid caustic cargo is a highly sensitive cargo the carriage of which requires a modern vessel with stainless steel cargo tanks that have been properly prepared and cleaned prior to loading. In the event that the intended vessel is not equipped with stainless steel cargo tanks, as was the case of the subject Vessel, then the cargo tanks must be epoxy painted with paint

¹ Defendant was formerly named Combined Cargo UAE LLC but changed its name to Emirates Ship Investment Co. LLC as reflected in Addendum 1 to the charter party dated March 3, 2005.

coatings inspected and deemed to be in acceptable condition to load the cargo without causing contamination during the voyage.

10. When Tricon issued its voyage instructions to the Vessel she had been operated by Defendant for approximately two years. The condition of her cargo tanks epoxy coatings was well known to the Defendant and its manager – non-party ST – as a result of their operation of the Vessel during the prior two years and also as they had specifically requested from the Vessel Master the condition of the cargo tanks coatings. The Vessel Master supplied a full report, including copies of the Vessel's Structural Condition Reports dated December 2005 for all of the vessel's cargo tanks prior to the loading of any liquid caustic cargo at Korea.

11. Defendant requested and Plaintiff provided a plan for tank cleaning which was agreed by the Defendant.

12. Defendant sought from Plaintiff a guarantee that the intended liquid caustic cargo would have less than 5 parts per million of iron ore residue if loaded into, and carried within, the Vessel's cargo tanks after the proposed tanks cleaning but Plaintiff did not provide the requested guarantee. A copy of the relevant email communication dated May 10, 2006 is attached hereto Exhibit 2.

13. Defendant proceeded to accept the tank cleaning proposal and thereafter the tanks were cleaned, inspected by professional inspectors who approved the same for loading, and was accepted by the Defendant without further comment.

14. Tricon's cargo was thereafter loaded at Yeosu, Korea into the Vessel's tanks and the Vessel departed Korea for her intended discharge ports on the U.S. East Coast.

15. Upon arrival at the discharge ports the cargo was subject to sampling prior to discharge and found to be contaminated with iron residue in excess of 5 parts per million.

16. Tricon sued Plaintiff in the U.S. District Court for the Southern District of Georgia – Savannah Division (File No. CV406-170) for breach of the bills of lading covering the cargo seeking to recover the damage sustained to its cargo and its related costs and expenses incurred in the storage, sampling, discharge and salvage of the cargo.

17. Plaintiff settled Tricon's lawsuit in July 2007 for \$895,000 and has satisfied this settlement by payment to Tricon.

18. Plaintiff's liability to Tricon was the direct and proximate result of Defendant's breach of the May 21, 2004 charter party, and in particular, clauses 3(i) and (iii), 13 and 52 thereof, for which Plaintiff seeks indemnity for its \$895,000 payment to Tricon plus interest, arbitration costs and attorney's fees.

19. Despite due demand, Defendant has failed to indemnify Plaintiff the \$895,000 paid to Tricon.

20. Pursuant to charter party clauses 41 and 82, all disputes arising thereunder are to be determined in accordance with English law and decided by the English Courts although either party is also vested with the right, without prejudice to the right to arrest or maintain under arrest any maritime property, to have any dispute referred to arbitration in London pursuant to the Arbitration Act of 1996, or any statutory modification of re-enactment thereof for the time being in force.

21. Plaintiff is preparing to commence litigation against Defendant in the English Courts and reserves its right to have the subject dispute referred to arbitration. A copy of Plaintiff's arbitration notice is attached hereto Exhibit 3.

22. Interest, costs and attorneys' fees are routinely awarded to the prevailing party in litigation in the English Courts conducted pursuant to English law and/or arbitration conducted

pursuant to the Arbitration Act of 1996. As best as can now be estimated, Plaintiff expects to recover the following amounts:

A.	Principal claim:	\$895,000;
B.	Estimated interest on claims: [3 years at 7.5% - compounded quarterly]	\$223,723.88;
C.	Estimated attorneys' fees:	\$150,000; and
D.	Estimated litigation/arbitration costs and expenses:	\$75,000.
Total:		\$1,343,723.88.

23. The Defendant cannot be found within this District within the meaning of Rule B of the Supplemental Rules for Certain Admiralty and Maritime Claims of the Federal Rules of Civil Procedure, but, upon information and belief, Defendant has, or will have during the pendency of this action, assets within this District and subject to the jurisdiction of this Court, held in the hands of one or more garnishees which are believed to be due and owing to the Defendant.

24. The Plaintiff seeks an order directing the Clerk of Court to issue Process of Maritime Attachment and Garnishment pursuant to Rule B of the Supplemental Rules for Certain Admiralty and Maritime Claims, the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards and also pursuant to the United States Arbitration Act, 9 U.S.C. §§ 1 and 8, attaching, *inter alia*, any assets of the Defendant held by any garnishees within the District for the purpose of obtaining personal jurisdiction over the Defendant, to compel arbitration (if necessary) and to secure the Plaintiff's claim as described above.

WHEREFORE, Plaintiff prays:

- A. That process in due form of law issue against the Defendant, citing it to appear and answer under oath all and singular the matters alleged in the Verified Complaint;
- B. That the Court retain jurisdiction to compel the Defendant to arbitrate in accordance with the United States Arbitration Act, 9 U.S.C. § 1 *et seq.*
- C. That since the Defendant cannot be found within this District pursuant to Rule B of the Supplemental Rules for Certain Admiralty and Maritime Claims, this Court issue an Order directing the Clerk of Court to issue Process of Maritime Attachment and Garnishment pursuant to Rule B of the Supplemental Rules for Certain Admiralty and Maritime Claims, also pursuant to the United States Arbitration Act, 9 U.S.C. §§ 1 and 8, attaching all goods, chattels, credits, letters of credit, bills of lading, effects, debts and monies, tangible or intangible, or any other funds held by any garnishee within the District which are due and owing to the Defendant, in the amount of **\$1,343,723.88** calculated to date to secure the Plaintiff's claims, and that all persons claiming any interest in the same be cited to appear and pursuant to Supplemental Admiralty Rule B answer the matters alleged in the Complaint;
- D. That this Court recognize and confirm any London arbitration award(s) or English Court judgment(s) rendered on the claims set forth herein as a Judgment of this Court;
- E. That this Court retain jurisdiction over this matter through the entry of any judgment or award associated with any of the claims currently pending, or which may be initiated in the future, including any appeals thereof;
- F. That this Court award Plaintiff its attorneys' fees and costs of this action; and
- G. That the Plaintiff has such other, further and different relief as the Court may deem just and proper.

Dated: December 10, 2007
New York, NY

The Plaintiff,
PROBO BISON SHIPPING INC.

By: 

Kevin J. Lennon
Patrick F. Lennon
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ATTORNEY'S VERIFICATION

State of Connecticut)
) ss.: Southport
County of Fairfield)

1. My name is Kevin J. Lennon.
2. I am over 18 years of age, of sound mind, capable of making this
Verification, and fully competent to testify to all matters stated herein.
3. I am a partner in the firm of Lennon, Murphy & Lennon, LLC, attorneys for the
Plaintiff.
4. I have read the foregoing Verified Complaint and know the contents
thereof and believe the same to be true and accurate to the best of my knowledge, information
and belief.
5. The reason why this Verification is being made by the deponent and not
by the Plaintiff is that the Plaintiff is a business organization with no officers or directors now
within this District.
6. The source of my knowledge and the grounds for my belief are the
statements made, and the documents and information received from, the Plaintiff and agents
and/or representatives of the Plaintiff.
7. I am authorized to make this Verification on behalf of the Plaintiff.

Dated: December 10, 2007
Southport, CT

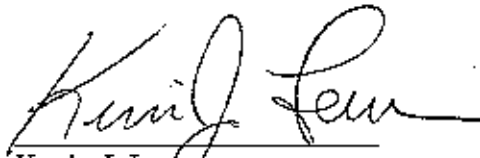

Kevin J. Lennon

EXHIBIT 1

Code word for this Charter Party
 "SHELLTIME 4"
 Issued December 1981.

Time Charter Party

Ahu Dhabi

IT IS THIS DAY AGREED between Probo Bison Shipping Inc.

of the Marshall Islands (hereinafter referred to as "Owners"), being owners of the
 good motor vessel called "Probo Bison"

hereinafter referred to as "the vessel") described as per Clause 1 hereof and Combined Cargo UAE LLC

of Abu Dhabi (hereinafter referred to as "Charterers").

1. At the date of delivery of the vessel under this charter

(a) she shall be cleared: DNV - 1A1

(b) she shall be in every way fit to carry safely and lawfully the cargo as described in
 Clauses 23 and 24 and lawful merchandise as per IMO Regulation in cargo holds and on deck

(c) she shall be tight, staunch, strong, in good order and condition, and in every way fit for the
 service, with her machinery, boilers, hull and other equipment (including but not limited to hull stress
 calculator and radar) in a good and efficient state and the cargo holds/crates/holds fit for the service;

(d) her works, valves and pipelines shall be not-right;

(e) she shall be in every way fitted for burning

at sea - fuel oil with a maximum viscosity of 380 Centistokes at 50 degrees Centigrade any
 commercial grade of fuel oil (MGO) for main propulsion, marine diesel oil (MDO)
 for auxiliaries

in port - marine diesel oil (MDO) for auxiliaries

(f) she shall comply with the regulations in force so as to enable her to pass through the Suez and
 Panama Canals by day and night without delay;

(g) she shall have on board all certificates, documents and equipment required from time to time by
 any applicable law to enable her to perform the charter service without delay;

(h) she shall comply with the description in Form H appended hereto, provided however that if there
 is any conflict between the provisions of Form H and any other provision, including this Clause 1, of this charter
 such other provision shall govern.

2. (a) At the date of delivery of the vessel under this charter

(i) she shall have a full and efficient complement of master, officers and crew for a vessel of her
 tonnage, who shall in any event be not less than the number required by the laws of the flag state and who shall be
 trained to operate the vessel and her equipment competently and safely;

(ii) all shipboard personnel shall hold valid certificates of competency in accordance with the
 requirements of the law of the flag state;

(iii) all shipboard personnel shall be trained in accordance with the relevant provisions of the
 International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, 1978
 including amendments of 1995;

(iv) there shall be on board sufficient personnel with a good working knowledge of the English
 language to enable cargo operations at loading and discharging places to be carried out efficiently and safely and
 to enable communications between the vessel and those loading the vessel or accepting discharge therefrom to be
 carried out quickly and efficiently;

(b) Owners guarantee that throughout the charter service the master shall with the vessel's officers,
 and crew, unless otherwise ordered by Charterers,

(i) prosecute all voyages with the vessel in dispatch;

(ii) render all customary assistance and

(iii) load and discharge cargo as rapidly as possible when required by Charterers or their agents
 to do so, by night or by day, but always in accordance with the laws of the place of loading or discharging (as the
 case may be) and in each case in accordance with any applicable laws of the flag state.

3. (a) Throughout the charter service Owners shall, whenever the passage of time, wear and tear or any
 event (whether or not coming within Clause 27 hereof) requires steps to be taken to maintain or restore the
 conditions stipulated in Clauses 1 and 2(a), exercise due diligence so to maintain or restore the vessel.

(b) If at any time whilst the vessel is on hire under this charter the vessel fails to comply with the
 requirements of Clause 1, 2(a) or 10 then hire shall be reduced to the extent necessary to indemnify Charterers
 for such failure, if and in the event that such failure affects the time taken by the vessel to perform any services

under this charter, hire shall be reduced by an amount equal to the value, calculated at the rate of hire, of the time so lost.

Any reduction of hire under this sub-Clause (f) shall be without prejudice to any other remedy available to Charterers under this charter party, but where such reduction of hire is in respect of time lost, such time shall be excluded.

from any calculation under Clause 24.

(f) If Owners are in breach of their obligation under Clause 3(i) Charterers may so notify Owners in writing; and if, after the expiry of 30 days following the receipt by Owners of any such notice, Owners have failed to demonstrate to Charterers' reasonable satisfaction the exercise of due diligence as required in Clause 3(i), the vessel shall be off-hire, and no further hire payments shall be due, until Owners have so demonstrated that they are exercising such due diligence.

Furthermore, at any time while the vessel is off-hire under this Clause 3, Charterers have the option to terminate this charter by giving notice in writing, with effect from the date on which such notice of termination is received by Owners or from any later date stated in such notice. This sub-Clause (f) is without prejudice to any rights of Charterers or obligations of Owners under this charter or otherwise (including without limitation Charterers' rights under Clause 22 hereof).

4. Owners agree to let and Charterers agree to hire the vessel for a period of 2 (two) years, 30 days more or less in Charterers' option; further 1 (one) year in Charterers' option to be declared by Charterers 4 months prior to expiration of the 2nd year commencing from the time and date of delivery of the vessel, for the purpose of carrying all lawful merchandise (subject always to Clause 23) including in particular

to any port of the world, as Charterers shall direct, subject to the limits of the current British Institute Warperies and any subsequent amendments thereto, excluding Cuba (Israel unless specific later agreement). Notwithstanding the foregoing, but subject to Clause 35, Charterers

may order the vessel to call upon waters or to any part of the world outside such limits provided that Owners consent thereto (such consent not to be unreasonably withheld) and that Charterers pay for any insurance premium required by the vessel's underwriters as a consequence of such order. See Clause 62.

Charterers shall use due diligence to ensure that the vessel is only employed between and at safe places (which expression when used in this charter shall include ports, berths, wharves, docks, anchorages, submarine lines, alongside vessels or lighters, and other locations including locations at sea) where she can safely lie always afloat. Notwithstanding anything contained in this or any other clause of this charter, Charterers do not warrant the safety of any place to which they order the vessel and shall be under no liability in respect thereof except for loss or damage caused by their failure to exercise due diligence as aforesaid. Subject as above, the vessel shall be loaded and discharged at any places as Charterers may direct, provided that Charterers shall exercise due diligence to ensure that any ship-to-ship transfer operation shall conform to standards not less than those set out in the latest published edition of the ICS/OCIMF Ship-to-Ship Transfer Guide.

The vessel shall be delivered by Owners at a port in accordance with Clause 61.

at Charterers' option and redelivered to Owners at a port in accordance with

at Charterers' option.

5. The vessel shall not be delivered to Charterers before 15th May 2004 and Charterers shall have the option of cancelling this charter if the vessel is not ready and at their disposal on or before

6. Owners undertake to provide and to pay for all provisions, wages and shipping and discharging fees and all other expenses of the master, officers and crew, also, except as provided in Clauses 4 and 34 hereof, for all insurance on the vessel, for all deck, cabin and engine-room stores, and for water, for all drydocking, overhead, maintenance and repairs to the vessel and for all fumigation expenses and general certificates. Owners' obligations under this Clause 6 extend to all liabilities for customs or import duties arising at any time during the performance of this charter in relation to the personnel of the vessel, officers and crew, and in relation to the stores, provisions and other matters aforesaid which Owners are to provide and pay for and Owners shall refund to Charterers any sums Charterers or their agents may have paid or been compelled to pay in respect of any such liability. Any amounts allowable in general average for wages and provisions and stores shall be credited to Charterers insofar as such amounts are in respect of a period when the vessel is on-hire.

7. Charterers shall provide and pay for all fuel (except fuel used for domestic services), sewage and garbage and shall pay agency fees, port charges, commissions, expenses of loading and unloading cargoes, canal dues and all charges other than those payable by Owners in accordance with Clause 6 hereof, provided that all charges for the said items shall be for Owners' account when such items are consumed, employed or incurred for Owners' purposes (i.e. while the vessel is off-hire) unless such items reasonably relate to any service given or distance made good and taken into account under Clause 21 or 22; and provided further that any fuel used in connection with a general average sacrifice or expenditure shall be paid for by Owners.

8. Subject as herein provided, Charterers shall pay for the use and hire of the vessel at the rate of per day, and pro rata for any part of a day, from the time and date of her delivery (local time) until the time and date of her redelivery (local time) to Owners. See Clause 16.

9.	Subject to Clause 3(f), payment of hire shall be made in immediately available funds to:	107
	Account	108
	in per calendar month proportionately in advance, less:	109
	(i) any hire paid which Charterers reasonably estimate to relate to off-hire periods and	110
	(ii) any properly documented amounts disbursed on Owners' behalf, any advances and commission thereon, and charges which are for Owners' account pursuant to any provision hereof, and	111
	(iii) any amounts due or reasonably estimated to become due to Charterers under Clause 3(f) as	112
	24 hereof,	113
	any such adjustments to be made at the due date for the next monthly payment after the facts have been	114
	ascertained. Charterers shall not be responsible for any delay or error by Owners' bank in crediting Owners'	115
	account provided that Charterers have made proper and timely payment.	116
	In default of such proper and timely payment,	117
	(a) Owners shall notify Charterers of such default and Charterers shall, within seven (7) working days of	118
	receipt of	119
	such notice pay to Owners the amount due including interest, failing which Owners may withdraw the vessel from	120
	the service of Charterers without prejudice to any other rights Owners may have under this charter or otherwise;	121
	and	122
	(b) interest on any amounts due but not paid on the due date shall accrue from the day after the due date	123
	up to and including the day when payment is made, at a rate per annum which shall be 1% above the U.S. Prime	124
	Interest Rate as published by the Chase Manhattan Bank in New York at 12.00 New York time on the due date,	125
	or, if no such interest rate is published on that day, the interest rate published on the next preceding day on which	126
	such a rate was so published, computed on the basis of a 360 day year of twelve 30-day months, compounded	127
	semi-annually.	128
10.	The stowage, lashing, dunnage and deck of the vessel and any passenger accommodation (including Owners' and	129
	sublet) shall be at Charterers' disposal, reserving only proper and sufficient space for the vessel's master, officers,	130
	crew, tackle, apparel, furniture, provisions and stores, provided that the weight of stores on board shall not, unless	131
	specifically agreed, exceed 350 tonnes at any time during the charter period. See Clause 44.	132
11.	Overtime pay of the master, officers and crew in accordance with ship's articles shall be for Charterers' Owners'	133
	account when incurred, as a result of complying with the request of Charterers or their agents, for loading,	134
	discharging, lashing of cargo, bunkering or tank cleaning.	135
12.	Charterers shall from time to time give the master all requisite instructions and sailing directions, and	136
	he shall keep a full and correct log of the voyage or voyages, which Charterers or their agents may inspect as	137
	required. The master shall when required furnish Charterers or their agents with a true copy of such log and with	138
	properly completed lashing and discharging port sheets and voyage reports furnish voyage and other records as	139
	Charterers may require. Charterers shall be entitled to take copies at Owners' expense of any such documents	140
	which are not provided by the master.	141
13.	(a) The master (although appointed by Owners) shall be under the orders, and direction of	142
	Charterers as regards employment of the vessel, agency and other arrangements, and shall sign bills of lading as	143
	Charterers or their agents may direct always in conformity with Mate's receipt (subject always to Clauses 33 (d)	144
	and 40) without prejudice to this charter.	145
	Charterers hereby indemnify Owners against all consequences or liabilities that may arise:	146
	(i) from signing bills of lading in accordance with the directions of Charterers or their agents, to	147
	the extent that the terms of such bills of lading fail to conform to the requirements of this charter, or (except as	148
	provided in Clause 13(b)) from the master otherwise complying with Charterers or their agents' orders;	149
	(ii) from any irregularities in papers supplied by Charterers or their agents.	150
	(b) Notwithstanding the foregoing, Owners shall not be obliged to comply with any orders from	151
	Charterers to discharge all or part of the cargo:	152
	(i) at any place other than that shown on the bill of lading and/or	153
	(ii) without presentation of an original bill of lading	154
	unless they have received from Charterers both written confirmation of such orders and an	155
	indemnity in a form acceptable to and to Club Working to Owners.	156
14.	If Charterers complain of the conduct of the master or any of the officers or crew, Owners shall	157
	immediately investigate the complaint. If the complaint proves to be well founded, Owners shall, without delay,	158
	make a change in the appointments and Owners shall in any event communicate the result of their investigations	159
	to Charterers as soon as possible.	160
15.	Charterers shall accept and pay for all bunkers on board at the time of delivery (see Clause 61), and Owners shall	161
	on redelivery	162
	(whether it occurs at the end of the charter period or on the earlier termination of this charter) accept and pay	163
	for all bunkers remaining on board, at the then-current market price at the port of delivery or redelivery, as the	164
	case may be, or, if such prices are not available payment shall be at the then-current market prices at the	165

- nearest port at which such prices are available; provided that if delivery or redelivery does not take place in a port
 payment shall be at the price paid at the vessel's last port of bunkering before delivery or redelivery, as the case
 may be. Owners shall give Charterers the cost and benefit of any fuel contracts they may have in force from time to
 time, if so required by Charterers, provided suppliers agree.
16. Stevedores when required shall be employed and paid by Charterers, but this shall not relieve Owners
 from responsibility at all times for proper stowage, which must be controlled by the master who shall keep a strict
 account of all cargo loaded and discharged. Owners hereby indemnify Charterers, their servants and agents
 against all losses, claims, responsibilities and liabilities arising in any way whatsoever from the employment of
 pilots, tugboats or stevedores, who although employed by Charterers shall be deemed to be the servants of and in
 the service of Owners and under their instructions (even if such pilots, tugboat personnel or stevedores are in fact
 the servants of Charterers, their agents or any affiliated company); provided, however, that
 (i) the foregoing indemnity shall not exceed the amount to which Owners would have been
 entitled to claim their liability if they had themselves employed such pilots, tugboats or stevedores; and
 (ii) Charterers shall be liable for any damage to the vessel caused by or arising out of the use of
 stevedores, fire, war and tear excepted to the extent that Owners are unable by the exercise of due diligence to
 obtain redress therefor from stevedores. See Clause 92.
17. Charterers may send representatives in the vessel's available accommodation upon any voyage made
 under this charter. Owners limiting provisions and all requisites as supplied to officers except liquor. Charterers
 paying at the rate of \$____ per day for each representative while on board the vessel.
18. Charterers may sublet the vessel, but shall always remain responsible to Owners for due fulfillment of
 this charter.
19. If when a payment of hire is due hereunder, Charterers reasonably expect to redeliver the vessel before
 the next payment of hire would fall due, the hire to be paid shall be assessed on Charterers' reasonable estimate of
 the time necessary to complete Charterers' programming up to redelivery, and from which estimate Charterers
 may deduct any days or reasonably expected to become due for
 (i) disbursements on Owners' behalf or charges for Owners' account pursuant to any provision
 hereof; and
 (ii) bunkers on board at redelivery pursuant to Clause 15.
 Promptly after redelivery any overpayment shall be refunded by Owners in any underpayment made
 good by Charterers.
 If at the time this charter would otherwise terminate in accordance with Clause 4 the vessel is on a
 ballast voyage to a port of redelivery or is upon a laden voyage, Charterers shall continue to have the use of the
 vessel at the same rate and conditions as stated herein for as long as necessary to complete such ballast voyage, or
 to complete such laden voyage and return to a port of redelivery as provided by this charter, as the case may be.
20. Should the vessel be lost, this charter shall terminate and hire shall cease at once on the day of her loss;
 should the vessel be a constructive total loss, this charter shall terminate and hire shall cease at once on the day on
 which the vessel's underwriters agree that the vessel is a constructive total loss; should the vessel be missing, this
 charter shall terminate and hire shall cease at once on the day on which she was last heard of. Any hire paid in
 advance and not earned shall be returned to Charterers, and Owners shall reimburse Charterers for the value of
 the estimated quantity of bunkers on board at the time of termination, at the price paid by Charterers as the last
 bunkering port.
21. (a) On each and every occasion that there is loss of time (whether by way of interruption in the
 vessel's service or, from reduction in the vessel's performance, or in any other manner):
 (i) due to deficiency of personnel or stores; repairs; gas-filling for repairs; time in and waiting
 to enter dry dock for repairs; breakdown (whether partial or total) of machinery, boilers or other parts of the
 vessel or her equipment (including without limitation tank fittings); overhaul, maintenance or survey; collision;
 stranding, accident or damage to the vessel; or any other similar cause preventing the efficient working of the
 vessel; and such loss continues for more than three consecutive hours (if resulting from interruption in the vessel's
 service) or continues to more than three hours (if resulting from partial loss of service); or
 (ii) due to industrial action, refusal to sail, breach of orders or neglect of duty on the part of the
 master, officers or crew; or
 (iii) for the purpose of obtaining medical advice or treatment for or landing, any sick or injured
 person (other than a Charterers' representative carried under Clause 17 hereof) or for the purpose of landing for
 body of any person (other than a Charterers' representative); and such loss continues for more than three
 consecutive hours; or
 (iv) due to any delay in quarantine arising from the master, officers or crew having had
 communication with the shore at any infected area without the written consent or instructions of Charterers or
 their agents, or to any detention by customs or other authorities caused by smuggling or other violation of local
 law on the part of the master, officers or crew; or
 (v) due to detention of the vessel by authorities at home or abroad attributable to legal action
 against or brought by regulations by the vessel, the vessel's owners, or Owners (unless brought about by the act or
 neglect of Charterers); then

without prejudice to Charterers' rights under Clause 3 or to any other rights of Charterers hereunder and otherwise the vessel shall be off-hire from the commencement of such loss of time until she is again ready and in an efficient state to resume her service from a position not less favourable to Charterers than that at which such loss of time commenced; provided, however, that any service given or distance made good by the vessel whilst off-hire shall be taken into account in assessing the amount to be deducted from hire.

(b) If the vessel fails to proceed at any guaranteed speed pursuant to Clause 24, and such failure arises wholly or partly from any of the causes set out in Clause 21(a) above, then the period for which the vessel shall be off-hire under this Clause 21 shall be the difference between:

(i) the time the vessel would have required to perform the relevant service at such guaranteed speed, and

(ii) the time actually taken to perform such service (including any loss of time arising from interruption in the performance of such service).

For the avoidance of doubt, all time included under (ii) above shall be excluded from any calculation under Clause 24.

(c) Further and without prejudice to the foregoing, in the event of the vessel deviating (which expression includes without limitation putting back, or putting into any port other than that to which she is bound under the instructions of Charterers) for any cause or purpose mentioned in Clause 21(a), the vessel shall be off-hire from the commencement of such deviation until the time when she is again ready and in an efficient state to resume her service from a position not less favourable to Charterers than that at which the deviation commenced; provided, however, that any service given or distance made good by the vessel whilst so off-hire shall be taken into account in assessing the amount to be deducted from hire. If the vessel, for any cause or purpose mentioned in Clause 21(a), puts into any port other than the port to which she is bound on the instructions of Charterers, the port charges, pilotage and other expenses at such port shall be borne by Owners. Should the vessel be driven into any port or anchorage by stress of weather hire shall continue to be due and payable during any time lost thereby.

(d) If the vessel's flag state becomes engaged in hostilities and Charterers in consequence of such hostilities find it commercially impracticable to employ the vessel and have given Owners written notice thereof then from the date of receipt by Owners of such notice until the termination of such commercial impracticability the vessel shall be off-hire and Owners shall have the right to employ the vessel on their own account.

(e) Time during which the vessel is off-hire under this charter shall count as part of the charter period. See Clause 5255.

(f) Owners have the right and obligation to drydock the vessel at regular intervals of 24 months.

On such occasions Owners shall engage in Charterers a date on which they wish to drydock the vessel, not less than 90 days before such date, and Charterers shall agree the port for such periodical drydocking and Charterers shall take all reasonable steps to make the vessel available when in such date as practicable.

Owners shall put the vessel in drydock at their expense as soon as practicable after Charterers place the vessel at Owners' disposal clear of cargo other than tank washings and residues. Owners shall be responsible for and pay for the disposal into reception facilities of such tank washings and residues and shall have the right to retain any monies received therefor, without prejudice to any claim for loss of cargo under any bill of lading or this charter.

(g) If a periodical drydocking is carried out in the port offered by Charterers (which must have suitable accommodation for the purpose and reception facilities for tank washings and residues), the vessel shall be off-hire from the time she arrives at such port until drydocking is completed and she is in every way ready to resume Charterers' service and is at the position at which she went off-hire or a position not less favourable to Charterers, whichever she first attains. However,

(i) provided that Owners exercise due diligence in gas-freeing, any time lost in gas-freeing to the standard required for entry into drydock for cleaning and painting the hull shall not count as off-hire, whether lost on passage in the drydocking port or after arrival there (notwithstanding Clause 21k and

(ii) any additional time lost in further gas-freeing to meet the standard required for hot work or entry to cargo tanks shall count as off-hire, whether lost on passage to the drydocking port or after arrival there.

Any time which, but for sub-Clause (i) above, would be off-hire, shall not be included in any calculation under Clause 24.

The expenses of gas-freeing, including without limitation the cost of bunkers, shall be for Owners account.

(h) If Owners require the vessel, instead of proceeding to the offered port, to carry out periodical drydocking at a special port selected by them, the vessel shall be off-hire from the time when she is released to proceed to the special port until she next presents for loading in accordance with Charterers' instructions, provided, however, that Charterers shall credit Owners with the time which would have been taken on passage at the service speed had the vessel not proceeded to drydock. All fuel consumed shall be paid for by Owners but Charterers shall credit Owners with the value of the fuel which would have been used on such national passage calculated at the guaranteed daily consumption for the service speed, and shall further credit Owners with any benefit they may gain in purchasing bunkers at the special port. Owners to have the option to perform a round laden voyage from the area vessel released to Owners up to the drydock area and then to the area she next presents for loading in accordance with Charterers' instructions. In such case, Owners will not receive credit from Charterers for vessel's depreciation.

(d)	Charterers shall, insofar as cleaning for periodical drydocking may have reduced the amount of tank-cleaning necessary to meet Charterers' requirements, credit Owners with the value of any bunkers which Charterers are liable to have been saved thereby, whether the vessel drydocks at an agreed or mutually agreed or a special port.	289 290 291
23.	Charterers shall have the right at any time during the charter period to make such inspection of the vessel as they may consider necessary. This right may be exercised as often and at such intervals as Charterers in their sole and discretion may determine and whether the vessel is in port or on passage. Provided no undue delays to Vessel's operation occur, Owners allowing all necessary co-operation and accommodation on board provided, however,	292 293 294
	(i) that neither the exercise nor the non-exercise, nor anything done or not done in the exercise or non-exercise, by Charterers of such right shall in any way reduce the master's or Owners' authority over, or responsibility to Charterers or third parties for, the vessel and every aspect of her operation, nor increase Charterers' responsibilities to Owners or third parties for the same; and	295 296 297 298 299
	(ii) that Charterers shall not be liable for any loss, neglect or default by themselves, their servants or agents in the exercise or non-exercise of the aforesaid right.	300 301
24.	(a) Owners guarantee that the speed and consumption of the vessel shall be as follows:	302
	Average speed _____ Maximum average bunker consumption _____ in knots _____ not to exceed _____ _____ fuel oil consumption _____ _____ tonnes _____	303 304 305 306
	See Clause 47	
	Ballast	307
	The foregoing bunker consumptions are for all purposes except cargo handling and tank cleaning and shall be pro-rated between the speeds shown.	308 309
	The service speed of the vessel is set Clause 47 knots under and see Clause 47 knots in ballast and in the absence of Charterers' orders to the contrary, the vessel shall proceed at the service speed. However if more than one laden and one ballast speed are shown in the table above Charterers shall have the right to order the vessel to steam at any speed within the range set out in the table (the "ordered speed").	310 311 312 313
	If the vessel is ordered to proceed at any speed other than the highest speed shown in the table, and the average speed actually attained by the vessel during the currency of such order exceeds such ordered speed plus 0.5 knots (the "maximum recognised speed"), then for the purpose of calculating any increase or decrease of hire under this Clause 24 the maximum recognised speed shall be used in place of the average speed actually attained.	314 315 316 317
	For the purposes of this charter the "guaranteed speed" at any time shall be the then-current ordered speed or the service speed, as the case may be.	318 319
	The average speeds and bunker consumptions shall for the purposes of this Clause 24 be calculated by reference to the observed distance from pilot station to pilot station or all sea passages during each period specified in Clause 24 (i.e. excluding any time during which the vessel is in port for Clause 22(b)(ii) would be) off-hire, and also excluding Adverse Weather Periods, being (i) any periods during which reduction of speed is necessary for safety in congested waters or poor visibility (foggy days, when to steam when winds exceed force 7 on the Beaufort Scale for more than 12 hours.	320 321 322 323 324 325 326
(b)	If during any year from the date on which the vessel enters service (anniversary or anniversary) the vessel falls below or exceeds the performance guaranteed in Clause 24(a) then if such shortfall or excess results	327 328 329
	(i) from a reduction or an increase in the average speed of the vessel, compared to the speed guaranteed in Clause 24(a), then an amount equal to the value at the hire rate of that time so lost or gained, as the case may be, shall be deducted from or added to the hire paid;	330 331 332
	(ii) from an increase or a decrease in the total bunkers consumed, compared to the total bunkers which would have been consumed had the vessel performed as guaranteed in Clause 24(a), an amount equivalent to the value of the additional bunkers consumed or the bunkers saved, as the case may be, based on the average price paid by Charterers for the vessel's bunkers in such period, shall be deducted from or added to the hire paid.	333 334 335 336
	The addition to or deduction from hire so calculated for laden and ballast mileage respectively shall be adjusted to take into account the mileage steamed in each such condition during Adverse Weather Periods, by dividing such addition or deduction by the number of miles over which the performance has been calculated and multiplying by the same number of miles plus the miles steamed during the Adverse Weather Periods, in order to establish the total addition to or deduction from hire to be made for such period.	337 338 339 340 341
	Reduction of hire under the foregoing sub-Clause (b) shall be without prejudice to any other remedy available to Charterers under this Charter Party.	342 343
(c)	Calculations under this Clause 24 shall be made for the yearly periods terminating, in each successive anniversary of the date on which the vessel enters service, and for the period between the last such anniversary and the date of termination of this charter if less than a year. Claims in respect of reduction of hire	344 345 346

trading under this Charter during the first year or any year of the charter period shall in the first instance be settled in accordance with Charterers' estimate made fully substantiated two months before the end of the charter period,	347 348
Any necessary adjustment after this charter terminates shall be made by payment by Owners to Charterers or by Charterers to Owners as the case may require.	349 350
Payments in respect of increase of hire arising under this Clause shall be made promptly after receipt by Charterers of all the information necessary to calculate such increase.	351 352
25. Subject to the provisions of Clause 24 hereof, all loss of time and all expenses (excluding any damage to or loss of the vessel or serious liabilities to third parties) incurred in saving or attempting to save life or in successful or unsuccessful attempts at salvage shall be borne equally by Owners and Charterers provided that Charterers shall not be liable to contribute towards any salvage payable by Owners arising in any way out of services rendered under this Clause 25.	353 354 355 356 357
All salvage and all proceeds from proceeds shall be divided equally between Owners and Charterers after deducting the master's, officers' and crew's share.	358 359
26. Owners shall have a lien upon all cargoes and all freights, sub-freights and demurrage for any amounts due under this charter and Charterers shall have a lien on the vessel for all monies paid in advance and not earned, and for all claims for damages arising from any breach by Owners of this charter.	360 361 362
27. (a) The vessel, her master and Owners shall not, unless otherwise in this charter expressly provided, be liable for any loss or damage or delay or failure arising or resulting from any act, neglect or default of the master, pilots, mariners or other servants of Owners in the navigation or management of the vessel: first, unless caused by the actual fault or privity of Owners; collisions or strandings; dangers and accidents of the sea; explosion, bursting of boilers, breakage of shafts or any latent defect in hull, equipment or machinery provided, however, that Clauses 1, 2, 3 and 24 hereof shall be unaffected by the foregoing. Further, neither the vessel, her master or Owners, nor Charterers shall, unless otherwise in this charter expressly provided, be liable for any loss or damage or delay or failure in performance hereunder arising or resulting from acts of God, act of war, seizure under legal process, quarantine restrictions, strikes, lock-outs, riots, restraints of labour, civil commotions or arms or restraint of princes, rulers or people.	363 364 365 366 367 368 369 370 371 372
(b) The vessel shall have liberty to sail with or without pilots to tow or go to the assistance of vessels in distress and to deviate for the purpose of saving life or property.	373 374
(c) Clause 27(a) shall not apply to or affect any liability of Owners for the vessel or any other relevant person in respect of:	375 376
(i) loss or damage caused to any berth, jetty, dock, dolphin, buoy, mooring line, pipe or crane or other works or equipment whatsoever at or near any place to which the vessel may proceed under this charter, whether or not such works or equipment belong to Charterers; or	377 378 379
(ii) any claim (whether brought by Charterers or any other person) arising out of any loss of or damage to or in connection with cargo. All such claims shall be subject to the Hague-Visby Rules or the Harter Rules, as the case may be, which apply pursuant to Clause 38 hereof in have been incorporated in the relevant bill of lading (whether or not such Rules were so incorporated) or, if no such bill of lading is issued, to the Hague-Visby Rules.	380 381 382 383 384
(d) In particular and without limitation, the foregoing subsections (a) and (b) of this Clause shall not apply to or in any way affect any provision in this charter relating to oil-fire or to reduction of hire.	385 386
28. No acids, explosives or cargoes injurious to the vessel shall be shipped and without prejudice to the foregoing any damage to the vessel caused by the shipment of any such cargo, and the time taken to repair such damage, shall be for Charterers' account. No voyage shall be undertaken for any goods or cargoes loaded, that would expose the vessel to capture or seizure by rulers or governments.	387 388 389 390
29. Charterers shall supply marine diesel oil with a maximum viscosity of 380 Centistokes at 50 degrees Centigrade ACFO for main propulsion and diesel oil/ACFO for the auxiliaries. If Owners require the vessel to be supplied with more expensive bunkers they shall be liable for the extra cost thereof.	391 392 393
Charterers warrant that all bunkers provided by them in accordance herewith shall be of a quality complying with the International Marine Bunker Supply Terms and Conditions of Shell International Trading Company and with its specification for marine fuels as amended from time to time.	394 395 396
30. Should the master require advances for ordinary disbursements of any port, Charterers or their agents shall make such advances to him, in consideration of which Owners shall pay a commission of two and a half per cent, and all such advances and commission shall be deducted from hire.	397 398 399
31. Charterers shall have the option, after consultation with Owners, of requiring Owners to lay up the vessel at a safe place nominated by Charterers, in which case the hire provided for under this charter shall be adjusted to reflect any net increase in expenditure reasonably incurred in any not saving which should reasonably be made by Owners as a result of such lay-up. Charterers may exercise the said option any number of times during the charter period. See Clause 36.	400 401 402 403 404

32. Should the vessel be requisitioned by any government, de facto or de jure, during the period of this charter, the vessel shall be off-hire during the period of such requisition, and any hire paid by such government in respect of such requisition period shall be for Owners' account. Any such requisition period shall count as part of the charter period. 405
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33. If war or hostilities break out between any two or more of the following countries: U.S.A., ~~USSR~~, Russia, 409
P.R.C., U.K., Norway, Greece, Netherlands-Briti Chances and Charterers shall have the right to cancel this charter. 410
34. If the vessel is ordered to trade in areas where there is war (de facto or de jure) or threat of war, 411
Charterers shall reimburse Owners for any additional insurance premium, crew bonuses and other expenses which 412
are reasonably incurred by Owners as a consequence of such orders, provided that Charterers are given notice of 413
such expenses as soon as practicable and in any event before such expenses are incurred, and provided further 414
that Owners obtain from their insurers a waiver of any subrogated rights against Charterers in respect of any 415
claims by Owners under their war risk insurance arising out of compliance with such orders. 416
35. (a) The master shall not be required to bend to sign bills of lading for any place which in his or Owners' 417
reasonable opinion is dangerous or impossible for the vessel to enter or reach owing to any blockade, war, 418
disturbances, warlike operations, civil war, civil commotion or revolutions. 419
- (b) If in the reasonable opinion of the master or Owners it becomes, for any of the reasons set out in 420
Clause 33(a) or by the operation of international law, dangerous, impossible or prohibited for the vessel to reach 421
or enter, or to load or discharge cargo at any place to which the vessel has been ordered pursuant to this charter 422
(a "place of peril"), then Charterers or their agents shall be immediately notified by telex or radio messages, and 423
Charterers shall thereupon have the right to order the cargo, or such part of it as may be affected, to be loaded or 424
discharged, as the case may be, at any other place within the loading limits of this charter (provided such other 425
place is not itself a place of peril). If any place of discharge is or becomes a place of peril, and no orders have been 426
received from Charterers or their agents within 48 hours after dispatch of such messages, then Owners shall be at 427
liberty to discharge the cargo or such part of it as may be affected at any place which they or the master may in 428
their or his discretion select within the loading limits of this charter and such discharge shall be deemed to be due 429
fulfillment of Owners' obligations under this charter as far as cargo so discharged is concerned. 430
- (c) The vessel shall have liberty to comply with any directions or recommendations as to departure, 431
arrival, routes, ports of call, stoppages, destinations, routes, routes, delivery or in any other wise whatsoever 432
given by the government of the state under whose flag the vessel sails or any other government or local authority 433
or by any person or body acting or purporting to act as or with the authority of any such government or local 434
authority including any de facto government or local authority or by any person or body acting or purporting to 435
act as or with the authority of any such government or local authority or by any committee or person having under 436
the terms of the war risks insurance on the vessel the right to give any such directions or recommendations. If by 437
reason of or in compliance with any such directions or recommendations anything is done or is not done, such 438
shall not be deemed a deviation. 439
- If by reason of or in compliance with any such direction or recommendation the vessel does not 440
proceed to any place of discharge to which she has been ordered pursuant to this charter, the vessel may proceed 441
to any place which the master or Owners in his or their discretion select and there discharge the cargo or such part 442
of it as may be affected. Such discharge shall be deemed to be due fulfillment of Owners' obligations under this 443
charter as far as cargo so discharged is concerned. 444
- Charterers shall procure that all bills of lading issued under this charter shall contain the Charter of 445
Shipping War Risks Clause 1932. 446
36. If the liability for any collision in which the vessel is involved while performing this charter falls to be 447
determined in accordance with the laws of the United States of America, the following provision shall apply: 448
- "If the ship enters into collision with another ship as a result of the negligence of the other ship and any 449
neglect or default of the master, mariner, pilot or the servants of the carrier in the navigation or in the 450
arrangement of the ship, the owners of the cargo carried hereunder will indemnify the carrier against all loss, or 451
liability to the other or non-carrying ship or her owners in so far as such loss or liability represents loss of, or 452
damage to, or any claim whatsoever of the owners of the said cargo, paid or payable by the other or non-carrying 453
ship or her owners to the owners of the said cargo and set off, recouped or recovered by the other or non-carrying 454
ship or her owners as part of their claim against the carrying ship or carrier." 455
- "The foregoing provisions shall also apply where the owners, operators or those in charge of any ship 456
or ships or objects other than, or in addition to, the colliding ships or objects are at fault in respect of a collision or 457
contact." 458
- Charterers shall procure that all bills of lading issued under this charter shall contain a provision to the 459
foregoing tenor to be applicable where the liability for any collision in which the vessel is involved falls to be 460
determined in accordance with the laws of the United States of America. 461
37. General average contributions shall be payable according to the York-Antwerp Rules, 1924/1994, and shall 462
be adjusted in London in accordance with English law and practice but should adjustment be made in accordance 463
with the law and practice of the United States of America, the following provision shall apply: 464
- "In the event of accident, damage or loss or before or after the commencement of the 465
voyage, resulting from any cause whatsoever, whether due to negligence or not, for which, or for the 466

[illegible]

Charterers shall procure that all bills of lading issued under this charter shall contain the following clause:

"If any laws, rules or regulations applied by the government of the country in which the cargo was consigned and/or shipped, or any relevant agency thereof, impose a prohibition on export of the cargo to the place of discharge designated in or ordered under this bill of lading, carriers shall be entitled to require cargo owners forthwith to nominate an alternative discharge place for the discharge of the cargo, or such part of it as may be affected, which alternative place shall not be subject to the prohibition, and carriers shall be entitled to accept orders from cargo owners to proceed to and discharge at such alternative place. If cargo owners fail to nominate an alternative place within 72 hours after they or their agents have received from carriers notice of such prohibition, carriers shall be at liberty to discharge the cargo or such part of it as may be affected by the prohibition at any safe place on which they or the master may in their or his absolute discretion decide and which is not subject to the prohibition, and such discharge shall constitute the performance of the contract contained in this bill of lading so far as the cargo so discharged is concerned".

The foregoing provision shall apply mutatis mutandis in this charter, the references to a bill of lading being deemed to be references to this charter.

41. (a) This charter shall be construed and the relations between the parties governed in accordance with the laws of England.
 (b) Any dispute arising under this charter shall be decided by the English Courts to whose jurisdiction the parties hereby agree.
 (c) Notwithstanding the foregoing, but without prejudice to any party's right to arrest or maintain the arrest of any maritime property, either party may, by giving written notice of election to the other party, elect to have any such dispute referred to the arbitration of a single arbitrator in London in accordance with the provisions of the Arbitration Act 1996 or any statutory modification or re-enactment thereof for the time being in force.

The arbitration shall be conducted in accordance with the London Maritime Arbitrators Association (LMAA) terms current at the time when the arbitration proceedings are commenced. The reference shall be to three arbitrators. A party wishing to refer a dispute to arbitration shall appoint its arbitrator and send notice of such appointment in writing to the other party requiring the other party to appoint its own arbitrator within 14 calendar days of that notice and stating that it will appoint its arbitrator as sole arbitrator unless the other party appoints its own arbitrator and give notice that it has done so within the 14 days specified. If the other party does not appoint its own arbitrator and give notice that it has done so within the 14 days specified, the party referring a dispute to arbitration may, without the requirement of any further prior notice to the other party, appoint its arbitrator as sole arbitrator and shall advise the other party accordingly. The award of a sole arbitrator shall be binding on both parties as if he had been appointed by agreement. Nothing herein shall prevent the parties agreeing in writing to vary these provisions to provide for the appointment of a sole arbitrator. In cases where neither the claim nor any counterclaim exceeds the sum of USD\$0,800 (or such other sum as the parties may agree) the arbitration shall be conducted in accordance with the LMAA Small Claims Procedure current at the time when the arbitration proceedings are commenced.

- (d) ~~A party shall have its right to refer a dispute to arbitration only if:~~
 (i) ~~it receives from the other party a written notice of dispute within 14 days of receipt of the bill of lading;~~
 (ii) ~~it specifies the nature of the dispute; and~~
 (iii) ~~it refers a dispute to arbitration within 14 days of receipt of the bill of lading.~~
 and
 (e) ~~it fails to give notice of election to have the dispute referred to arbitration not later than 20 days from the date of receipt of such notice of dispute.~~
 (ii) ~~The parties hereby agree that the other party may:~~
 (a) ~~appeal to the High Court on any question of law arising out of an award;~~
 (b) ~~apply to the High Court for an order that the arbitrator shall be removed from office;~~
 (c) ~~give notice in the arbitration that a request is made to the High Court to remove the arbitrator;~~
 (d) ~~apply to the High Court to set aside any question of law arising in the course of the arbitration.~~

(e) It shall be a condition precedent to the right of any party to a stay of any legal proceedings in which maritime property has been, or may be, arrested in connection with a dispute under this charter, that that party furnishes to the other party security to which the other party would have been entitled in such legal proceedings in the absence of a stay.

42. The side headings have been included in this charter for convenience of reference and shall in no way affect the construction hereof.

Additional Clauses 43 - 47 both inclusive and addition to Form B as attached and Appendix 1 and 2 as attached to be incorporated in this Charter Party and in form part of same.

Additional Clauses to

M/V "PROBO BISON"

Charter Party dated Abu Dhabi,

GENERALClause 43:

Deleted

Clause 44:

At any time while the vessel is on off-hire under Clause 3 Charterers have, ~~subject to clause 43 above,~~ the right to demand that reasonable specific corrective measures be taken by Owners, including but not limited to funding of repairs/upgrading. This clause is without prejudice to any rights or obligations of Owners or Charterers under this Charter or otherwise (including without limitation Clauses 1, 3 and 21).

Clause 45:

If at any time during the charter party period Charterers should be dissatisfied with the managers appointed by the Owners, they will provide Owners and Mortgagees with written reasons for their dissatisfaction so that Owners and Charterers can review and if possible correct the problem. If the problem has not been corrected within a period of 60 days the date of Charterers' written complaint, Charterers shall be entitled to demand in writing that the managers be replaced by new managers approved by Charterers, such approval not to be withheld (it being understood that Charterers not use this provision to insist that International Tanker Management Norway A.S. be re-appointed as managers). The change of managers shall take place within a period of two months from the date of Charterers' demand.

Clause 46: Hire:

1st year	USD 16,500 daily
2nd year	USD 16,500 daily
3rd optional year	USD 14,000 daily

Rates include overtime. A commission of 1.25% is payable by the vessel and Owners to Cresco Services Ltd on hire earned and paid under this Charter and also upon any continuation and extension of this Charter. This commission to be deductible from hire at source.

Clause 47: Speed/consumption specification in Clause 24 (a) to be as follows:

	Laden			Ballast		
	Knots	Fuel	Diesel	Knots	Fuel	Diesel
<u>Light</u>						
Comb. 1	14.5	37.5	0	15.0	39.0	0

Comb. 2	14.0	33.5	0	14.5	34.5	0
Comb. 3	13.5	30.0	0	14.0	30.5	0
Comb. 4	13.0	27.0	0	13.5	27.5	0
<u>Heavy</u>						
Comb. 5	14.0	39.5	0	15.0	39.0	0
Comb. 6	13.5	35.5	0	14.5	34.5	0
Comb. 7	13.0	32.0	0	14.0	30.5	0
Comb. 8	12.5	29.5	0	13.5	27.5	0

Consumption is in metric tons per 24 hours. Fuel consumption includes fuel on A/E for domestic purposes (3.4 metric tons), but excludes additional consumption for heating of cargo, tank cleaning, inerting of tanks etc.

"Light laden" is defined as laden draft up to/including 11.89 m. "Heavy laden" is defined as laden draft above 11.89 m.

For the performance calculation referred to in Clause 24 (b), a margin of ± 0.5 knots on the speed and $\pm 4\%$ on the consumption to be applied before calculating as per Bulkhandling Rules & Practices.

Consumption in port, idle : 3.4 mt/day fuel

Consumption in port, working cranes : 5.0 mt/day fuel

Consumption for heating of cargo, tank cleaning, inerting of tanks etc. are excluded from the above figures.

Clause 48: Maximum quantity allowed vessel for stores, laboil and fresh water for domestic purposes not to exceed 350 tons.

Any discrepancy resulting in reduced cargo capacity due to excessment of above allowances to be compensated to Charterers by Owners by paying deadfreight according to the freight rate ruling for the reduced cargo.

Clause 49: If any extra equipment such as container fittings and lashings should be required for any cargo, same to be for Charterers' account. Removal and/or delay due to such equipment to be for Charterers' account. Vessel to take good care of and maintain such equipment when on board.

Special equipment (hooster-pump etc.) which may be installed for molasses trading or other cargoes to be for Charterers' account. However, such equipment to be maintained and cared for by the crew as if said equipment was Owners'

Clause 50: The vessel has installed telex/maritime satellite/telefax/e-mail communication system in working order throughout the Charter Party period.

Clause 51: Charterers to be permitted to load or discharge at safe ports/places/anchorages from/into other vessel(s)/barge(s) alongside, using gear as available. Master shall

immediately advise in writing the Master of the other vessel(s)/barge(s) of any damage claimed and do the utmost to have same accepted. Also advise Charterers of any damage done to others. Such operation to be performed safely to Master's satisfaction, but understood that this approval not to be unreasonably withheld. Any customary extra insurance involved for such operation, if any, shall be for Charterers' account.

Extra equipment, such as fenders, deemed by the Master to be necessary shall be provided and paid for by Charterers.

Otherwise see Clause 4 line 89 and 91.

Clause 52: Cleaning and cargo hold preparation of vessels cargo holds/tanks/pumps between different cargoes to be performed by vessel's crew. Any delay caused by vessel's holds not being accepted on arrival loading ports and delay for cleaning holds shall -with the exceptions stipulated in paragraph two of this clause- be for Owners' account. If Owners require assistance from shore same to be for their account. In the event vessel is turned to wet mode after a prolonged trading at dry mode, Owners shall best endeavour to make tanks suitable for loading. However, Owners shall not be held responsible if tanks are rejected due to coating having sustained damage due to carriage of dry cargoes.

Vessel to be considered off-hire for any time in excess of maximum time allowed in cleaning timetable Probo Cargo Manual attached hereto as Appendix 1, except for circumstantial delays caused by proven adverse weather conditions port restrictions. For cleaning programs which are not specified in said Appendix 1 the maximum time allowed shall be mutually agreed between Owners and Charterers.

The above shall not apply when:

1. the vessel is loading multiple parcels at one berth and the failure of one or more tanks/holds does not delay the departure from berth;
2. the installation permits loading of homogeneous cargo to commence despite the fact that all tanks/holds are not accepted;
3. it is determined that insufficient cleaning has been allowed or insufficient cleaning material has been provided;
4. despite best efforts rendered by vessel's crew to prepare holds/tanks, vessel may not be able to for "zero tolerance" required by some shippers due to vessel's history of previous cargoes.

Cost of cleaning materials such as chemicals, detergent, light fuel, as cleaning agent and fresh water to be for Charterers account. All tank cleaning to be done in accordance with tank lining manufacturers procedures.

Charterers shall comply with tank lining manufacturers' curing instructions (if any) between cargoes as per tank manufacturers' resistance guide manual, and cargo loading sequence shall follow coating manufacturers' curing time.

It is understood that if the last cargo is fishoil, vegoil or molasses, Charterers will pay Owners 1.5 days extra in lieu of hold cleaning. However, Charterers shall have

the option to redeliver the vessel clean to CPP underclass 2,5 NPA unleaded standard without cleaning bonus.

Clause 53: Drug and Alcohol Clause

Owner warrants that it has a policy on drug and alcohol abuse applicable to the vessel which meets or exceeds the standards in The Oil Companies International Marine Forum Guidelines For the Control of Drug and Alcohol onboard ship, OCIMF January 1990. Owner further warrants that this policy will remain in effect during the term of this Charter, and that Owner shall exercise due diligence to ensure that the policy is complied with. It is understood that an actual impairment or any test finding an impairment shall not in itself mean that the Owners have failed to exercise due diligence.

Clause 54: The vessel's loading and discharging equipment to be at Charterers' disposal, and vessel's crew to operate same up to 24 consecutive hours per day if required without any extra expense to the Charterers, provided local labour rules and regulations permit.

Clause 55: Any time lost by breakdowns and other stops and time lost by reduced capacity of vessel's crane(s) and/or grab(s) and/or pumps to be considered as off-hire, and shall be reported by the vessel to the Charterers and/or any other party nominated by the Charterers on the form "off-hire certificate". However, if breakdown is due to stevedore damage for which the Charterers are responsible under clause 9t, then the resulting delay shall not be considered as off-hire periods.

Clause 56: The Charterers shall have the right to order a laying-up of the vessel at any time for any period of time at a safe berth/place, and in the event of such lay-up the Owners shall take steps to effect all the economies in operating costs including insurance which may be possible and give prompt credit to the Charterers in respect of all such economies. At the request of the Charterers at any time, the Owners shall furnish an estimate of the economies which would be possible in the event of a laying-up of the vessel. On termination of lay-up Charterers shall arrange for underwater cleaning of vessel's hull and propeller at their time and expense, so vessel may resume service speed.

Clause 57: Any reduction in insurance premium on account of long stay in port, to be reimbursed Charterers.

Clause 58: Owners warrant that crew will be members of I.T.F. approved Union and will have a world wide I.T.F. certificate for officers and crew.

Should the vessel be blockaded or black listed, in any port or place because of her flag or crew, all expenses, delays or other consequences to be for Owners' account.

Owners warrant that the vessel is not boycotted by Arab League.

In the event of the vessel being denied or restricted in the use of port and/or loading and/or discharging facilities or shore labour and/or tug or pilotage assistance because of the vessel's flag or ownership or management or the wages or conditions of employment of her officers and/or crew or of the officers and/or crew of any

other vessel under the same ownership or management or because of the previous trading of the vessel or any other vessel as aforesaid, hire shall cease for the time hereby lost and Owners shall be responsible for and shall promptly reimburse Charterers all extra expenses which Charterers may incur in trying to solve the situation (including proceeding to an alternative berth or port). However, in case the previous trading in question refers to Charterers' operation of the vessel or other Charterers' vessel(s) the foregoing provisions shall not apply.

Clause 59: The vessel shall comply with any safety regulations requirements in effect at ports of loading and/or discharging, with particular reference to the United States Department of Labour Safety and Health Regulations set forth in Part III of the Federal Register.

Should the vessel not meet with safety rules and regulations, Owners shall take immediate corrective measures and any stevedore stand-by-time and other expenses involved, including off-hire, will be for Owners' account.

Vessel to have current and valid cargo gear register and certificates to the effect that the cargo gear has been tested, examined and annealed in accordance with the requirements of International Labour Organisation.

Clause 60: The vessel shall comply with:

- WWF regulations for ladders in cargo holds.
- SOLAS 1974/78 and MARPOL 1973/78 Regulations and OCIMP Recommendations for standardisation of tanker manifold and associated equipment (excluding bunkering lines).
- OCIMP guidelines.
- To have secured and carries a US Federal Maritime Commission's Certificate of Financial Responsibility as required under the US Water Quality Improvement Act of 1970.
- To have secured and carries onboard a Civil Liability Certificate.
- Owners warrant that the vessel is eligible for bunker in the United States of America, its territories and possessions in accordance with US Department of commerce, Office of International Trade, Directive No. 705.

Clause 61: "PROBO-BISON" to be delivered to Charterers when in every respect fitted for the service and in all respects ready to receive cargo as soon as possible after delivery to the Owners under the Memorandum of Agreement of even date herewith between Owners and Probo Guil Inc.

The Owners to give Charterers minimum 3 days delivery notice.

The vessel shall be delivered with bunkers as on board, it being understood that the bunkers belong to the Charterers.

The vessel shall be redelivered with bunkers as on board, however minimum 500 mt. Owners shall pay for bunkers on redelivery at Charterers' last invoice prices.

Charterers shall give Owners months, followed by 20/15/10 days approximate and five days definite notice of

Clause 62: The vessel shall not be ordered to nor bound to enter any ice bound port or place where lights, lightships marks and buoys are or are likely to be withdrawn by reason of ice on the vessel's arrival, or where there is a risk that the vessel will not be able on account of ice to reach the port or place or to depart after completing loading or discharging. If on account of ice the Master considers it dangerous to remain at the loading or discharging port or place for fear of the vessel being frozen in and/or damaged, he shall have the liberty to sail to a convenient open port or place and await Charterers' instructions. Any time lost through any of the foregoing causes on account of the vessel being frozen in and all delays in loading/discharging operations due to low temperatures shall be for Charterers' account. The vessel shall not be obliged to force ice, but to follow icebreaker and/or trade in broken up lanes, always at Master's discretion with regard to the vessel's safety. In the event that the vessel sustains damage caused by ice and such damage could not reasonably have been avoided by the vessel's Master or crew, Charterers shall, without prejudice to the other terms and conditions of this Charter Party, reimburse the Owners for the cost for repairing such damage, but limited to the deductible under Owners' insurance and excluding normal wear and tear from operations in ice. Any time used for repairing such damage to count as hire.

Clause 63: Throughout the period of the this Time Charter, the vessel to be in possession of all necessary valid equipment and certificates to comply with safety and health regulations: national and international regulations, and all current customary requirements, at all ports. If stevedores, longshoremen or other workmen are not permitted to work due to failure of Master or Owners to comply with aforementioned regulations or because the vessel is not in possession of such valid and up-to-date certificates, then Charterers may suspend hire for the thereby lost.

Clause 64: Any delay, expenses fines incurred on account of smuggling, if caused by the officers, and/or crew to be for Owners' account, or if caused by the Charterers' supercargo and/or staff or agents, for Charterers' account.

Clause 65: Owners shall provide and keep valid deralization and fumigation certificates throughout the charter period. Fumigations ordered because of cargo carried or ports visited while vessel is employed under this Charter Party shall be for Charterers' account. Fumigations ordered because illness of the crew to be for Owners' account.

Clause 66: The Owners shall at all times on their expense insure and keep the vessel against marine and war risks, insured value of the vessel is USD 22 million.

Charterers to have the benefit of any return insurance premium receivable by Owners from Underwriters (as and when received) by the reason of the vessel being in port for a minimum of 30 (thirty) days, provided the vessel is on-hire during such period.

If Charterers are co-insured under Owners' P&I coverage, Charterers shall cover any extra expense incurred through this.

Any deductibles payable under the legal defence cover taken out in accordance with Clause 12 of the Pool Participation Agreement to be for Charterers' account if the case in question has been initiated by Charterers.

Clause 67: Vessel to be left in safe seaworthy trim between ports/berths to Master's satisfaction.

Clause 68: Charterers have the privilege of flying their house flag, and to paint their marks on the vessel's superstructure. The cost of such painting and removal and/or repainting to be for Charterers' account and in Charterers' time.

Clause 69: If the vessel or Owners shall suffer any loss or damage which would have been recoverable under any applicable sub-charter had Owners been a party thereto in place of Charterers, then notwithstanding any other provision of this Charter Party, Owners shall be indemnified by Charterers in respect of such loss or damage to the extent, and no further than Charterers are entitled to recover under the said sub-charter.

Clause 70: U.S.A. - P AND I CLUB/OIL POLLUTION INSURANCE

The vessel shall be entered with a P and I club belonging to the international group of P & I clubs and Owners warrant that they have and will maintain throughout the period of this Charter:

- A. The standard oil pollution insurance cover (currently USD 1,000 million) available from their P and I Club and
- B. Any additional oil pollution insurance cover which becomes available via their P and I Club.

At any time on or subsequent to the fixture date of this Charter, the Owners, upon Charterers' request, shall furnish to Charterers or their representative proof satisfactory to Charterers of such insurance.

Clause 71: USA -OPA-90

Owners warrant:

a) that save in relation to incidents described as an "average most probable discharge" in navigation and vessel inspection circular no. 33 CFR part 155, sub-part D, VRP, vessel and Owners have lodged vessel response plan which conforms with requirements of the OPA 90 and the above circular. Notwithstanding anything else contained herein, the vessel shall not be required to discharge at any facility (as defined in OPA 90) at any other place or to any other vessel within the U.S. exclusive economic zone (as defined in OPA 90) which does not meet the requirements of OPA 90 and Government Regulations issued thereunder, including the above circular, and any changes or supplements to any of the aforesaid which dealt with the occurrence of average most probable discharge, including the obligation to file, implement and obtain approval from the USCG of the relevant VRP.

b) that the VRP is approved and the vessel is operated in compliance therewith, when and as required by the VRP requirements;

c) that the Owner or operator of the vessel, and the vessel fully meets all other requirements of OPA-90 and any Government Regulations or guidelines issued thereunder.

This clause does not in any way lessen the overall effect or relieve the Owners of any State obligations in respect of Vessel Response Plans or other pollution requirements.

Clause 72: ITOPF CLAUSE

Owners warrant that throughout the duration of this Charter Party will be:

(1) Owned or demise chartered by a member of the 'International Tanker Owners Pollution Federation Limited' and

(2) Entered in the Protection and Indemnity (P and I) Club stated in the vessel's description in this Charter Party.

Clause 73: ISM CLAUSE

The requirements of the International Safety Management (ISM) Code are hereby incorporated into this Charter. Owners warrant that a Safety Management System (SMS) in accordance with the ISM Code will be in operation both on shore and on board the vessel. Owners further warrant that at all times during the performance of this Charter, the vessel shall strictly adhere to and conform to the requirements of the ISM Code and shall be in possession of a valid Safety Management Certificate (SMC). Owners further warrant that at all times during the performance of this Charter Owners (or the "Company" as defined by the ISM Code) shall comply with the provisions of the ISM Code and be in possession of a valid Document of Compliance (DOC). Owners shall provide Charterers with copies of the SMC and DOC.

Any time lost due to non-compliance or lack of valid SMC or DOC shall be treated as off-hire and any costs, liabilities or expenses incurred thereby shall be for Owners' account.

Clause 74: Delayed

Clause 75: Charterers shall have the option to use the vessel in floating storage service for periods in excess of 4 months, products stored always in accordance with the vessel's technical specification and tank lining manufacturer's resistance guide. Any savings which the Owners should make (or reasonably should have made) by virtue of such service, shall be credited in the same manner as for lay-up savings in clause 56. As circumstances warrant, after any storage service Charterers shall arrange for under water cleaning of vessel's hull and propeller at their time and expense so that the vessel may resume service speed(s).

Clause 76: The vessel's crew is to perform sweeping (squeegeeing) of the vessel's tanks when required by Charterers. The Charterers will pay for this work at the rate of lumpsum USD 500 per tank.

The crew will be compensated for hold cleaning in accordance with Bulkhandling Rules and Practices. It is, however, agreed that the crew will be paid USD 590 per hold for cleaning after sulphur and potash.

Clause 77: The Charterers may appoint one supercargo to accompany the vessel and he shall be accommodated and provided for at the Captain's table. The supercargo shall assist in an advisory capacity only. Any personnel designated by Charterers shall have access to all parts of the vessel at any time at sea or in port, provided Owners have been timely notified in writing. Access by such personnel shall be for the purpose of observation and inspection so long as this does not interfere with the vessel's operation. It is understood that Charterers are always sailing with the vessel at Charterers' own risk and shall sign Owners standard (as per P&I wording) prior to boarding the vessel. Charterers undertake to take out insurance covering the supercargo's stay on board the vessel.

Clause 78: Prior to hirepayment Charterers shall submit a full hire statement with any deductions as per 1, 2, and 3 below with description of these deductions:

1. Amounts disbursed on Owners' behalf;
2. Amounts relating to off-hire or estimated off-hire;
3. Any other amounts disbursed on Owners' behalf.

Owners shall be provided with documented accounts, including supporting vouchers to evidence all deductions made as and when they become available.

All communications and entertaining made by vessel on Charterers' behalf shall be for Charterers' account. Charterers will pay for same together with the next hire due C/VE USD 1,500.

Any taxes and/or dues or charges for flag waiver levied by any government other than that of Owners' domicile or the ship's flag in respect of the earnings of the vessel while under this charter shall be for Charterers' account.

Clause 79: Charterers, Sub-charterers or Suppliers shall in due time give proper handling instructions to the Master with regard to treatment of cargo if special instructions are deemed necessary. This does not, however, relieve the Master from his responsibility to collect information about handling/carriage as per IMO regulations.

Clause 80: Owners shall pay for all garbage removal related to the vessel, whereas all removal from cargo tanks of sludges scale and sediment, disposal of tank washings and reception charges of slops shall be for Charterers account, provided same are related to cargo operations.

Clause 81: Owners shall have the right to sell the vessel during the charter period, subject to this charter and subject to Charterers' approval, which shall not be unreasonably withheld.

Clause 82: Notwithstanding the Charter provisions in respect of English Law, General Average / Arbitration to be held in London

CARGO LIQUID

Clause 83: The vessel to be able to carry liquid cargoes in accordance with vessel's class and Cargo Resistance Guide from Coating Manufacturers and Manufactures of Coating Seals including but not limited to:

- Clean Petroleum Products
- Dirty Petroleum Products and crude. No trade to/from USA or US territories. If vessel trades with Crude and/or DPP, last 3 cargoes prior to redelivery shall be CPP and 2.5 cpa.
- Caustic soda, about 50%
- Molasses
- Vegoils and tallow with up to 10 FFA
- Easy chemicals and liquid urea

The vessel shall comply with the IMO Chemical Code for the Carriage of Liquid Caustic Soda.

In special cases, Charterers may ask for Owners' consent to carry excluded cargoes or cargoes to excluded areas and such consent shall not be unreasonably withheld.

Clause 84:

Owners warrant that, subject to reasonable time and opportunity to inspect, they will maintain all major oil company approvals in effect when the management agreement with International Tanker Management Norway A.S. is terminated and undertake to arrange for approval of the vessel by as many other major oil companies as possible. Always subject that the vessel's age and type (Probq) in principle will not prohibit such inspections. If at any time throughout this time Charter, the Vessel offered for employment to a Major Oil company or for carriage of a Major Oil cargo and the Vessel is denied by the Major Oil company, although approved by this particular Major Oil company Owners shall not be held responsible for such denial. In the event that Vessel turned to wet mode after a prolonged period of trading at dry mode whereby Major Oil approvals may be expired, Owners to have a grace period of 2 months for obtaining such expired approvals provided Vessel's trading is giving Owners the opportunity to inspect.

ARRANGE VERIFYING
INSPECTION

The Owners shall always, but subject to Charterers' trade of the vessel maintain in the SIRE system two inspection reports not older than six months, available to oil companies, traders etc. for verifying purposes.

The Owners will arrange CDI inspection minimum every 12 months.

Clause 85:

The vessel shall be capable of discharging in two (2) sequences, a full homogenous liquid cargo with a specific gravity of 0.6 - 1.0 within 15 hours (excluding stripping), maintaining at all times 100 PSI at ship's manifold, provided shore facilities are capable of receiving same. Time for possible COW is not included. Owners warrant that during discharge the vessel will use her pumping capacity to Charterers' advantage, but operating to any flowrate or back pressure restrictions advised by the shore.

The vessel shall be capable of heating a full crude oil cargo from 44°C to 66°C within 4 days during the voyage, with an average water temperature of not less than 5°C and an average air temperature of not less than 2°C.

The vessel shall be capable of cleaning one cargo hold at a time with hold water (max 80°C) using 2 guns.

Clause 86: The vessel's slop-tanks, when free of slops, to be at Charterers' disposal for carriage of cargo. Time and expense used for disposal of a normal quantity of slop/tank-washings to be for Charterers' account and likewise any compensation made by the receivers of slops to be credited Charterers.

Clause 87: Crew to connect and disconnect hoses provided same requested by shore installation and shore labours' union and/or port authority permit.

Clause 88: Vessel will not be placed in designated molasses trade with Queensland or similar molasses for any length of time. Trading molasses with intermediate voyages with caustic or other cargoes in between not to be considered designated molasses trade.

Clause 89: Annual COFR costs to be for Owners' account. However, if there should be an excessive increase in such costs resulting in a corresponding and general increase in rates for voyages for which COFR is required, Owners shall be compensated accordingly.

Extra insurance/OPA/OSRO fee for calling USWC/Canada or any other destinations where such extra insurance or fees may become required shall be for Charterers' account.

CARGO DRY

Clause 90: The vessel shall be employed in carrying all lawful and harmless merchandise in accordance with vessel's IMO class and vessel's stability.

The vessel shall meet all relevant recommendations and requirements for the carriage of Direct Reduced Iron (DRI) in bulk.

In special cases, Charterers may ask for Owners' consent to carry excluded cargoes or cargoes to excluded areas and such consent shall not be unreasonably withheld.

Unless Owners' prior permission is obtained (such permission shall not be unreasonably withheld), the following cargoes shall be excluded:

1. Live stocks, arms, ammunition, explosives, acids, pond coals, sponge iron, nuclear or radioactive materials, asphalt, shavings, cotton, sun flower seed expellers, copra, meat bone meal, hides, silicon, bulk borax, salt pick, ammonium hydro chloride, calcium carbide, creosoted goods, fishmeal, bitumen, used rails, dichloropenol, Niger seeds, metal sulphides, asbestos, salt rock, sulphur, West logs, tar, motor blocks and metal turnings, borings, heavy lift with weight exceeding vessel's gear capacity and all cargoes which might damage the integrity of the vessel.

2. All chemically hazardous materials of all classes as listed in IMO's Code of Safe Practice for Solid Bulk Cargoes unless the materials conform with the requirements of IMO and the initial design of the vessel conform with the specific requirements of IMO, related authorities and the vessel is approved by the classification society for carrying these materials.

The Owners might agree to carry chemically hazardous cargoes outside of the scope described above. In such case, the cost for complying with regulations of IMO, national and international authorities involved shall be for Charterers' account unless otherwise agreed.

3. Cargoes which may liquefy and/or which due to the appearance or condition is found not fit for safe shipment.

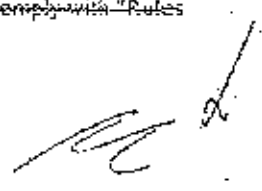
~~Charterers are allowed to carry maximum three cargoes of H&S 1+2 or shredded scrap per year (whether as full or part cargo) on the following conditions:~~

- ~~A) The scrap mentioned herein only limited to H&S 1+2 or specially excluded motor blocks and turnings and also metal borings and cuttings.~~
- ~~B) Charterers undertake that loading of first layer of scrap to be lowered as close as possible to tanktop and not to be dumped/dropped during loading. First layer of scrap to be loaded at the height and to be evenly stowed/trimmed to the satisfaction of Master before loading balance cargo.~~
- ~~C) Charterers undertake to supply on board, at their own expenses, of damage and/or other materials which Master considers necessary to provide safe protection from damage by loading scrap, but not to the~~
- ~~D) Such cargo not to be the first cargo after delivery or the last cargo prior to redelivery.~~
- ~~E) Prior to loading, hold conditions survey to be conducted by an independent surveyor at Charterers' time/expenses and same to be done immediately after completion of discharge in case of any damage to the vessel's holds and Australia hold ladders and any other part pieces of the vessel caused by loading such cargo. Charterers to be responsible for repairing all damaged part/pieces to same condition as prior to loading of scrap before commencement of next voyage.~~
- ~~F) Any extra expenses resulting therefrom/incurred thereby (such as holds cleaning etc.) and any detention through any of above causes to be for Charterers' account.~~

Charterers shall be responsible for any damages directly related to time removal as ascertained by mutually appointed coating expert. Further regulations regarding allowed and excluded cargoes are found in the Bulkhandling Rules and Practices.

Clause 91:

Vessel to be suitable for grab discharge in all holds and no cargo to be loaded in places inaccessible to grabs. Owners to provide experienced crane drivers for all cranes when required by Charterers, free of charge to Charterers and always subject to local rules and regulations. ~~Self load/discharge operations to comply with "Rules and Practices" in Appendix 2 which to be binding on Owners.~~



Clause 92: Stevedores to be appointed and paid for by the Charterers but are to work under the supervision of the Master. Owners to settle any stevedores damage to the Vessel or her fittings/equipment directly with stevedores if possible, but in case Owners do not succeed in obtaining settlement from stevedores damages provided that Master shall exert his best efforts to hold party causing damage responsible in writing and obtain their written acknowledgment of responsibility if possible. Master to notify Charterers or their Agents in writing or by cable/telex with full details of stevedores damage within 24 hrs of occurrence, and in any case latest upon Vessel's departure from the location concerned, except in cases of hidden damages which to be reported as soon as discovered, but any case latest at the end of the voyage concerned. In case more than superficial damage, caused to the Vessel, Owners to inquire with Charterers as to whether a survey by independent surveyor to be carried out prior to Vessel's departure if situation allows Owners to submit evidence showing; How matter has been pursued directly with stevedores. Actual repair costs, settlement of stevedore damages between Owners and stevedores only to be based on actual repair cost unless otherwise agreed.

The Charterers have the right to redeliver the Vessel without repairing the stevedores damage for which Charterers are responsible incurred during the currency of this Charter Party as long as the damage does not affect the Class and/or seaworthiness or cargo worthiness of the Vessel or its immediate workability. However the Charterers undertake to reimburse the cost of repairs against the production of repair bills from the repairers which is, however, to be in conformity with the off-hire surveyor's report in respect to the extent of such damage unless otherwise agreed.

In case the stevedores' damage affects Vessel's Class and/or seaworthiness or cargo worthiness or its immediate workability, then such damage to be repaired prior to sailing from the port of occurrence at Charterers' time and expense to Class surveyors satisfaction.

Clause 93: Hatch coamings, hatch covers and all other openings to be watertight. Charterers/Charterers' surveyor may at their discretion request a hose test of hatch coamings, hatch covers and all openings prior loading, and crew to perform such test under the supervision of Charterers/Charterers' surveyor.

Clause 94: In the event of ~~trip~~ salt being loaded, lime washing of holds shall be for Charterers account and time.

Clause 95: Deck cargo shall always be carried at Charterers' risk and expense, including lashing and securing. The Owners are to be and are hereby indemnified by the Charterers for any loss and/or damage liability caused to the vessel as a result of the carriage of deck cargo. Charterers shall pay USD 1500 for top lashing and USD 500 for place of hog-lashing and USD 500 for removal of top lashing and USD 500 for removal of hog-lashing and USD 500 to place wooden stanchies and USD 500 for re-lashing total deck load.

Clause 96: U.S. Customs 24 hours and AMS rule clause.

(a) If loading cargo destined for the US or passing through US ports in transit, the Charterers shall:

i) Provide all necessary information, upon request from the Owners, to the Owners and/or their agents to enable them to submit a timely and

as

accurate cargo declaration directly to the US Customs in particular so that Owners may comply with any AMS (Automated Manifest System) requirement as applicable to this Vessel or.

- ii) If permitted by US Customs Regulations (19 CFR 4.7) or any subsequent amendments thereto, submit a cargo declaration directly to the US Customs and provide the Owners with a copy thereof.

Where applicable to the Vessel (as determined by US Customs Regulations) the cargo declaration must be submitted to the US Customs latest 24 hours in advance of loading.

Where applicable to the Vessel (as determined by US Customs Regulations) the cargo declaration must be submitted latest 24 hours before arrival at the first US port.

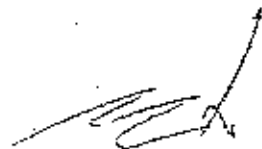
- (h) The Charterers assume liability for and shall indemnify, defend and hold harmless the Owners against any loss and/or damage whatsoever (including consequential loss and/or damage) and any expenses, fines, penalties and all other claims of whatsoever nature, including but not limited to legal costs, arising from the Charterers' failure to comply with the provisions of sub-clause (a).
- (i) If the Vessel is detained, attached, seized or arrested as a result of Charterers' failure to comply with the provisions of sub-clause (a), the Charterers shall provide a bond or other security to ensure the prompt release of the Vessel. Notwithstanding any other provisions in this Charter Party to the contrary, the Vessel shall remain on hire.
- (j) Charterers shall, upon request from Owners, provide, in advance funds to enable Owners to post within good time an International Carrier's bond as required by US Customs regulations.
- (k) Costs associated with the filing of the cargo manifest either through a service centre or by direct connection from the Owners and/or their agents to the CBP, to be for Charterers' account and payable with the next hire against supporting documentation.

Clause 97: ISPS Clause for Time Charter Parties

(a) (i) From the date of coming into force of the International Code for the Security of Ships and of Port Facilities and the relevant amendments to Chapter XI of SOLAS (ISPS Code) in relation to the Vessel and thereafter during the currency of this Charter Party, the Owners shall procure that both the Vessel and "the Company" (as defined by the ISPS Code) shall comply with the requirements of the ISPS Code relating to the Vessel and "the Company". Upon request the Owners shall provide a copy of the relevant International Ship Security Certificate (or the Interim International Ship Security Certificate) to the Charterers. The Owners shall provide the Charterers with the full style contact details of the Company Security Officer (CSO).

(ii) Except as otherwise provided in this Charter Party, loss, damage, expense or delay, excluding consequential loss, caused by failure on the part of the Owners or "the Company" to comply with the requirements of the ISPS Code or this Clause shall be for the Owners' account.

(b) (i) The Charterers shall provide the CSO and the Ship Security Officer (SSO)/Master with their full style contact details and, where sub-letting is permitted under the terms of this Charter Party, shall ensure that the contact details of all sub-charterers are likewise provided to the CSO



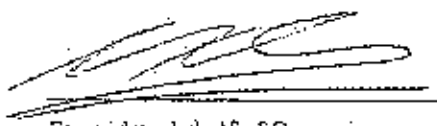
and the SSO/Master. Furthermore, the Charterers shall ensure that all sub-charter parties they enter into during the period of this Charter Party contain the following provision:

"The Charterers shall provide the Owners with their full style contact details and, where sub-letting is permitted under the terms of the charter party, shall ensure that the contact details of all sub-charterers are likewise provided to the Owners".

(ii) Except as otherwise provided in this Charter Party, loss, damage, expense or delay, excluding consequential loss, caused by failure on the part of the Charterers to comply with this Clause shall be for the Charterers' account.

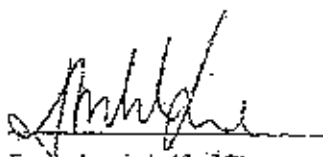
(c) Notwithstanding anything else contained in this Charter Party all delay, costs or expenses whatsoever arising out of or related to security regulations or measures required by the port facility or any relevant authority in accordance with the ISPS Code including, but not limited to, security guards, launch services, tug escorts, port security fees or taxes and inspections, shall be for the Charterers' account, unless such costs or expenses result solely from the Owners' negligence. All measures required by the Owners to comply with the Ship Security Plan shall be for the Owners' account.

(d) If either party makes any payment which is for the other party's account according to this Clause, the other party shall indemnify the paying party.



For and on behalf of Owners

M. CHALKIAS
Attorney-in-Fact



For and on behalf of Charterers

Second Original

ADDENDUM NO 1

Between

PROBO BISON SHIPPING INC., Marshall Islands as Owners

and

COMBINED CARGO UAE LLC., Abu Dhabi, UAE as Charterers

to

Charter Party dated 21st of May 2004

It is hereby declared that the Charterers have renamed their company to the new name of Emirates Ship Investment Company LLC. It is therefore hereby agreed to amend the name of Charterers in the above mentioned charter party to the new name.

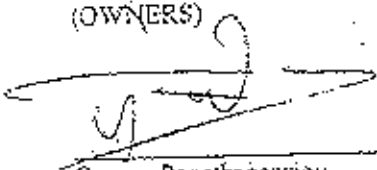
Line 4: Replace "Combined Cargo UAE LLC" with "Emirates Ship Investment Company LLC".

All other terms and conditions contained in the Charter Party shall remain in full effect.

In witness whereof the parties hereto have caused this Addendum No.1 to be executed on.

Abu Dhabi, 3rd March 2005

For and on behalf of
PROBO BISON SHIPPING INC.
(OWNERS)


George Papaioannassiou
Attorney in Fact

For and on behalf of
COMBINED CARGO UAE LLC
(CHARTERERS)

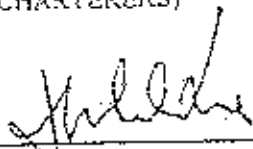

Harald Lone
General Manager

EXHIBIT 2

9

Kostas Liopyris

From: Alan.Ong@glencore.com.sg
Sent: 10 May 2006 09:32
To: PRONXXI%GLLDNADR@glencore.com.sg
Cc: Kostas Liopyris
Subject: Probo bison - tank cleaning to caustic soda

ViewedBy: Kostas Liopyris

Please guarantee that caustic soda will have less than 5 ppm of iron ore residue after tank cleaning as proposed by master.

BEST REGARDS
ALAN ONG
TEL : +65 5415 7678
MOB : +65 9826 6368
FAX : +44 207 412 3488 / +65 5235 7219
TLX : 264136
EML : operations@st-shipping.co.uk / alan.ong@glencore.com.sg

Kostas Liopyris

From: Kostas Liopyris
Sent: 10 May 2006 10:58
To: 'Alan.Ong@glencore.com.sg'
Subject: RE: Probo bison - tank cleaning to caustic soda

ViewedBy: Kostas Liopyris



cargoes_history.doc

Alan, good afternoon

Further yrs below and our telecom please be advised that we have experience from same and/or similar cargoes and after the proposed holds cleaning we faced no problems with the loaded caustic soda.

Best Regards
Capt Kostas Liopyris
Prime Marine Management Inc
4 Possidonos Avenue
176 74 Kalithea Athens Greece
Tel : +30 210 94 64 817
Fax : +30 210 94 64 800
Mob : +30 6937 400 581
Mob : +30 6944 24 14 09
Email : mail@prime-marine.net

-----Original Message-----

From: Alan.Ong@glencore.com.sg [mailto:Alan.Ong@glencore.com.sg]
Sent: Wednesday, May 10, 2006 9:32 AM
To: PRONXXI%GLLDNADR@glencore.com.sg
Cc: Kostas Liopyris
Subject: Probo bison - tank cleaning to caustic soda

Please guarantee that caustic soda will have less than 5 ppm of iron ore residue after tank cleaning as proposed by master.

BEST REGARDS
ALAN ONG
TEL : +65 6415 7676
MOB : +65 9836 6368
FAX : +44 207 412 3498 / +65 6236 7219
TLX : 264136
EML : operations@st-shipping.co.uk / alan.ong@glencore.com.sg

LAST CARGO	CARGO LOADED
Manganese Ore	Caustic Soda
Alumina	Caustic Soda
Coal	Caustic Soda
Iron Ore	Caustic Soda

EXHIBIT 3

Facsimile

HILL DICKINSON
International

To: Emirates Shipping
Attention Of: Mr. Viswanath
Your Reference: --
Fax Number: 00971 2 628 8661
From: Patrick Hawkins / Natalie Jackson
Our Reference: PHH/S46/1/ks
No. of Pages: 1
Subject: MT "PROBO BISON" - C/P DD. 21/05/04

2 Dafteras Merarchias Street Piraeus 185 35 Greece
Tel: +30 210 428 4770
Fax: +30 210 428 4777
patrick.hawkins@hildickinson.com
Date: 10 December 2007

We write further to previous correspondence in relation to the above captioned vessel.

Owners hereby put you on notice under the Shelltime Charterparty Clause 41 and Clause 82 that they have appointed Mr. Alan Oakley as the Arbitrator in respect of their indemnity claim and all and any other disputes arising under the Charterparty. Mr. Oakley's details are:-

Mr. Alan R. Oakley
Hey's Farm
Upwick Green
Albury Ware Hertfordshire
SG112LD, United Kingdom

Tel : +44 1279 771-475
Fax : +44 1279 771-968
Email : apo@alanoakley.co.uk

Please note that you now have 14 calendar days within which to appoint your own Arbitrator and provide us with notice of the appointment failing which, we shall appoint Owners Arbitrator to act as sole Arbitrator.

We look forward to hearing from you.

Kind regards,

Hill Dickinson International
Hill Dickinson International

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